



# CITY OF LODI

## COUNCIL COMMUNICATION

AGENDA TITLE: Authorize the City Manager to enter into an agreement with the Mokelumne Rural Fire District pertaining to the Mondavi Annexation area

MEETING DATE: July 19, 2000

PREPARED BY: Community Development Director

**RECOMMENDED ACTION:**

That the City Council adopt the attached resolution authorizing the City Manager to execute an agreement with the Mokelumne Rural Fire District for a ten-year period to reimburse them for lost revenue due to the City's annexation and detachment from the district of approximately 134 acres.

**BACKGROUND INFORMATION:**

As the City Council is aware, Mondavi Winery is in the process of purchasing approximately 40 acres along Guild Avenue. This property is currently in County jurisdiction and under the protection of the Mokelumne Rural Fire District. In order for development of this and adjacent property to proceed, the Council has approved a request to annex approximately 134 acres into the City. A typical associated action is the detachment of territory from an appropriate fire district.

In this case, the Mokelumne District is financially strapped. The district relies on revenue generated from this area to serve the minimum protection needs of their service area. As a result of this fact, the City Council directed me to negotiate a limited term agreement that would backfill the revenue loss to the district. Before you, for action, is the attached agreement, which provides for three specific deal points. A) An annual payment not to exceed \$27,917.96, which is equal to the current revenue generated from this territory. It should be noted that no escalation in this amount is contemplated. B) The term of the agreement is 10 years, and C) That the Mokelumne District provide one engine with a minimum of two personnel on the initial response for any structure fire call in the area to be annexed.

It is staff's opinion that this agreement is necessary in order for the annexation to proceed and ultimately the development of the properties in question. Further, it is our belief that future revenues that the City will gain from this territory more than adequately covers our expense over the term of the agreement.

FUNDING: General Fund \$27,917.96 annually  
for 10 years

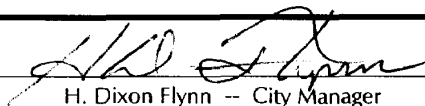
Funding Available: Vicky McAthie  
Vicky McAthie  
Finance Director

  
Konradt Bartlam

Community Development Director

Cc: City Attorney  
Fire Chief  
Attachment

APPROVED: \_\_\_\_\_

  
H. Dixon Flynn -- City Manager

AGREEMENT BETWEEN THE CITY OF LODI AND THE  
MOKELUMNE RURAL FIRE DISTRICT REGARDING  
WITHDRAWAL OF AREA FROM THE DISTRICT PURSUANT TO  
ANNEXATION OF PROPERTY TO CITY OF LODI

THIS AGREEMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2000, by and between the CITY OF LODI, a municipal corporation of the State of California ("City"), and the Mokelumne Rural Fire District, a rural fire district organized under the laws of the State of California ("District").

WITNESSETH:

WHEREAS, City has been asked by certain property owners to annex property to City; and

WHEREAS, City is willing to have the property designated as the Mondavi Annexation Area annexed to City; and

WHEREAS, as a condition of annexation City will require that the property be withdrawn from the District; and

WHEREAS, such withdrawal will result in a loss of property tax revenue which District uses to fund fire suppression services within its boundaries; and

WHEREAS, City believes that it is in the best interest of City to compensation District for its lost revenues.

NOW, THEREFORE, it is mutually agreed by and between the City and District as follows:

1. Compensation – City shall pay to District an amount not to exceed \$27,917.96 to compensate for lost property tax revenue due to detachment of the Mondavi Annexation Area.

2. Payments – City shall make ten (10) annual payments of the amount stated in paragraph 1. Upon making the 10<sup>th</sup> payment, City shall be relieved of any further obligation to make payments of any type to District. City shall make the annual payment on or before December 31st of each calendar year beginning December 2001.

3. District – District shall remain the initial responder to any structure fire call within the detached area. Responses shall be made by District dispatching, in a timely manner, one engine with a minimum crew of two.

4. Term – The term of this Agreement is 10 years from the day and year first above written.

IN WITNESS WHEREOF, this Agreement has been executed by the respective parties hereto through their authorized representatives, the day and year first above written.

CITY OF LODI, a municipal corporation  
hereinabove called "City"

MOKELUMNE RURAL FIRE DISTRICT  
hereinabove called "District"

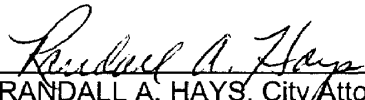
By \_\_\_\_\_  
H. DIXON FLYNN, City Manager

By \_\_\_\_\_  
DAN LEARY, Chief

Attest:

\_\_\_\_\_  
SUSAN J. BLACKSTON, City Clerk

Approved as to Form:

  
\_\_\_\_\_  
RANDALL A. HAYS, City Attorney

RESOLUTION NO. 2000-122

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING  
THE CITY MANAGER TO EXECUTE AGREEMENT BETWEEN  
MOKELUMNE RURAL FIRE DISTRICT AND THE CITY OF LODI IN  
RELATION TO THE MONDAVI ANNEXATION AREA

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WHEREAS, the Mondavi Winery is in the process of purchasing approximately 40 acres along Guild Avenue; and

WHEREAS, the property is currently in County jurisdiction and under the protection of the Mokelumne Rural Fire District; and

WHEREAS, in order for the development of this and adjacent property to proceed, the City Council has approved a request to annex approximately 134 acres into the City of Lodi, which would require that the territory be detached from the fire district; and

WHEREAS, due to the financial hardship that this detachment from the Mokelumne River Fire District would cause, the City Council directed staff to negotiate a limited term agreement that would implement an annual payment to the Fire District for a ten year period in the amount not to exceed \$27,917.96, which is equal to the current revenue generated from this territory; and

WHEREAS, the Mokelumne River Fire District would also provide one engine with a minimum of two personnel on the initial response for any structure fire call in the area to be annexed; and

WHEREAS, it is staff's opinion that this agreement is necessary in order for the annexation to proceed and ultimately the development of the properties in question, and is their further belief that future revenues that the City will gain from this territory more than adequately covers our expense over the term of the Agreement.

NOW, THEREFORE, BE IT RESOLVED, that the Lodi City Council does hereby authorize the City Manager to execute an Agreement between the Mokelumne Rural Fire District and the City of Lodi.

Dated: July 19, 2000

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I hereby certify that Resolution No. 2000-122 was passed and adopted by the Lodi City Council in a regular meeting held July 19, 2000 by the following vote:

AYES: COUNCIL MEMBERS – Hitchcock, Land, Nakanishi, Pennino and Mann (Mayor)

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None

  
SUSAN J. BLACKSTON  
City Clerk